

AGREEMENT

This Agreement is entered into on this 16th day of January, 2008 between the city of Las Vegas, Nevada (the "City") and Alpha Omega Strategies, Inc., (the "Sponsor"), of that certain affordable rental housing project known as The Residences at Village Square (the "Project").

WHEREAS, the Sponsor has submitted an application to the City for allocation of a part of the City's private activity bond Volume Cap in order for the Sponsor to finance the Project; and

WHEREAS, the City is inclined to allocate a portion of its private activity bond Volume Cap to the Project; and

WHEREAS, in so allocating its Volume Cap, the City is relying on representations made by the Sponsor in its application to the City with respect to the nature of the Project and other matters.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND AGREEMENTS CONTAINED HEREIN, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. The City will as provided in the resolution adopted by the City Council of the City on January 16, 2008 (the "Resolution") allocate a portion of its bond Volume Cap to the Project under the conditions and for the term provided in the Resolution. Such allocation of bond Volume Cap is based on the representations contained in the Sponsor's application as to the nature of the Project and other matters stated in that application.

Section 2. The Sponsor agrees to provide incremental progress reports, at six-week intervals if the Project is a rehabilitation project and at 3-month intervals if the Project is a new construction project.

Section 3. The Sponsor agrees not to make any change in the Project or in any other of the items described in its application without obtaining consent of the City's Director of the City's Neighborhood Services Department or his designee.

Section 4. This Agreement shall be effective on the date of its execution and remain in effect until the bonds which use the Volume Cap allocation described herein have been paid in full.

Section 5. This Agreement does not provide any City endorsement of the Project or any City representation as to the Project or the issuance of bonds for the Project, other than an allocation of private activity bond Volume Cap as provided in the Resolution. It is understood that the private activity bond Volume Cap will be transferred to the State of Nevada, and that the State of Nevada in its sole discretion will determine whether to finance the Project with the issuance of bonds. Other than the allocation of bond Volume Cap mentioned above, this Agreement in no way binds the City to the Project, and prior to the issuance of bonds which use this Volume Cap, the City may, in its sole discretion, amend or repeal the Resolution; but after the issuance of bonds which use this Volume Cap, the City will not amend the Resolution in a manner which changes the allocation of Volume Cap to the bonds which have been issued.

Section 6. In the event the Sponsor breaches this Agreement, the City may sue for specific performance hereof by the Sponsor, may pursue legal action against the Sponsor, may use whatever other remedies may be available to it at law or in equity or may pursue any combination thereof. The Sponsor agrees to pay any of the City's attorney fees incurred in enforcing the terms of this agreement. If bonds have been issued which rely on the allocation of bond volume cap made by the Resolution, a breach of this Agreement will not result in forfeiture of bond Volume Cap which has been used for those bonds, but may, at the option of the City, result in forfeiture of any part of the bond Volume Cap described herein which has not been used by the issuance of bonds.

Section 7. No person is a third party beneficiary of this Agreement and nothing herein requires that the City enforce the provisions hereof; however, any failure to enforce or delay in

enforcing the provisions hereof does not constitute a waiver of the City's right to enforce this Agreement. Any single or partial enforcement of any provision hereof does not preclude any other enforcement or the exercise of any other right, power or remedy the City may have.

Section 8. The persons signing this Agreement represent that they have the power to do so on behalf of the party for which they are signing.

Section 9. Disclosure of Principals: Pursuant to Resolution R-105-99 adopted by the Las Vegas City Council effective October 1, 1999, Sponsor warrants that it has disclosed, on the form attached hereto as Exhibit “A”, all principals, including partners or directors of Sponsor, as well as all persons and entities holding more than a one percent (1%) interest in Sponsor, or any principal of Sponsor. Throughout the term of the Agreement, Sponsor shall notify City in writing of any material change in the above disclosure within fifteen (15) days of any such change.

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IN WITNESS WHEREOF, the City and the Sponsor have caused this Agreement to be signed as of the day and year mentioned above.

City of Las Vegas, Nevada

(SEAL)

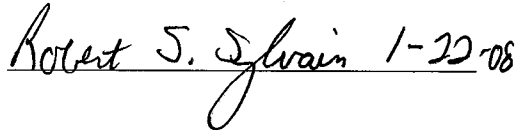
By: 
Oscar B. Goodman, Mayor

"City"

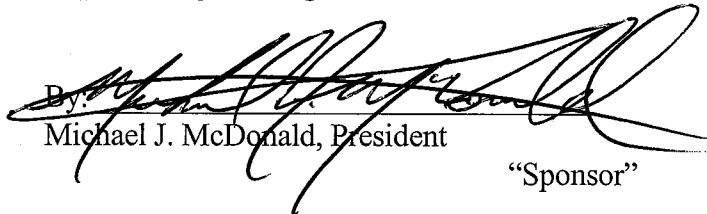

Beverly K. Bridges, CMC, City Clerk

City Council Approved: January 16, 2008

Approved as to form:


Robert J. Sylvain 1-22-08

Alpha Omega Strategies, Inc.

By: 
Michael J. McDonald, President

"Sponsor"

EXHIBIT "A"

DISCLOSURES OF PRINCIPALS

Pursuant to Resolution 79-99 adopted by the City Council effective October 1, 1999, Alpha Omega Strategies, Inc., warrants that it has disclosed, all principals, including partners of Alpha Omega Strategies, Inc., as well as all persons and entities holding more than a 1% interest in Alpha Omega Strategies, Inc., or any principal of Alpha Omega Strategies, Inc. Throughout the term hereof, Alpha Omega Strategies, Inc., shall notify City in writing of any material change in the above disclosure within 15 days of any such change.

The principals and partners of Alpha Omega Strategies, Inc., and all persons and entities holding more than 1% interest in Alpha Omega Strategies, Inc., or any principal of Alpha Omega Strategies, Inc., are the following:

FULL NAME	BUSINESS ADDRESS	BUSINESS PHONE
1. Michael J. McDonald	4908 Carmen Blvd, LV, NV 89108	592-1990
2. Richard L. Henry	4908 Carmen Blvd, LV, NV 89108	592-1990
3. Bruce Bayne	851 S. Rampart, Ste 220, LV, NV 89145	933-1111
4.		
5.		
6.		
7.		
8.		

Continue list until full and complete disclosure is made.

I certify under penalty of perjury, that the foregoing list is full and complete.

Alpha Omega Strategies, Inc.

By: 
Michael J. McDonald, President

"Sponsor"

Subscribed and sworn to before me this

31st Day of January, 2008


Notary Public

